

Ireland
Credit Update

Helaba Dublin Landesbank
Hessen-Thüringen International

Ratings

Helaba Dublin Landesbank Hessen-Thüringen International

Foreign Currency	
Long-Term	A+
Short-Term	F1+
Outlook	Stable

Support 1

Sovereign Risk

Foreign Long-Term	AAA
Local Long-Term	AAA
Outlook	Stable

Financial Data

Helaba Dublin Landesbank Hessen-Thüringen International

	31 Dec 05	31 Dec 04
Total Assets (USDm)	4,667	5,174
Total Assets (EURm)	3,956	3,799
Equity (EURm)	135	135
Op. Profit (EURm)	14.9	19.3
Net Income (EURm)	13.5	17.4
Op. Profit/Assets (%)	0.38	0.51
ROE (%)	9.99	12.69
Equity/Assets	3.42	3.55

Analysts

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■ Rating Rationale

- The Issuer Default and Short-term ratings of Helaba Dublin Landesbank Hessen-Thüringen International (“Helaba Dublin”) are driven by the potential support available from its 100% owner, Landesbank Hessen-Thüringen Girozentrale (“Helaba”, rated ‘A+/F1+’ – see Fitch’s report, available at www.fitchratings.com). The ratings are equalised with those of its parent given that it is highly integrated into the strategic planning and risk management systems of Helaba group.
- No Individual rating is assigned to Helaba Dublin since it effectively operates as a division of Helaba.

Support

- Helaba submitted a Letter of Comfort to the Central Bank of Ireland in 1993 declaring that Helaba Dublin will always be able to meet its liabilities as long as it remains a subsidiary of Helaba.
- Helaba Dublin is established as a private unlimited company. An unlimited company is characterized by unlimited liability obligations of the shareholders on a winding up of the company. As such, Helaba is liable for Helaba Dublin’s commitments. However, the issue of timeliness of payments to creditors could arise in case of difficulties, as the shareholders are obliged to provide support to the unlimited company and not to its creditors. Nevertheless, given the existence of the Letter of Comfort and Helaba Dublin’s role as a division of Helaba, Fitch Ratings considers that it is extremely likely that support would be forthcoming in a timely manner in case of need.
- Helaba’s ratings are reinforced by its membership in S-Finanzgruppe Hessen-Thüringen (“S-Verbund”, rated ‘A+/F1+’ – see Fitch’s report), a single economic group created by 50 savings banks in Hesse-Thuringia and Helaba in 2004. S-Verbund member banks benefit from a strong mutual support mechanism. S-Verbund’s ratings are backed by potential support from the German states of Hesse and Thuringia (both rated ‘AAA’).

■ Rating Outlook and Key Rating Drivers

- Helaba Dublin’s ratings are equalised with those of its parent, Helaba; its Long-term rating, thus, has the same Stable Outlook as Helaba’s. For information on Helaba’s rating drivers, see Fitch’s report on Helaba.

■ Profile

- Helaba Dublin was founded as Helaba Asset Management in 1990 to develop Helaba group’s international business. The present name was adopted in 1993 when a full banking license was granted.
- Helaba Dublin is a centre for specialised international business within Helaba group. The bank is a provider of corporate and interbank loans and loan-replacement products, transportation finance, particularly for the aircraft and shipping industries, as well as foreign exchange products. Helaba Dublin focuses on structuring and arranging of tailor-made debt.
- The bank has a lean operating structure with currently 28 staff.

25 August 2006

Balance Sheet Analysis

HELABA DUBLIN LANDESBANK HESSEN-THURINGEN INTERNATIONAL

	31 Dec 2005				31 Dec 2004		31 Dec 2003		31 Dec 2002	
	Year End USDm	Year End EURm	As % of Assets	Average EURm	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets
	Original	Original	Original	Original	Original	Original	Original	Original	Original	Original
A. LOANS										
1. Loans > 5 Years	1,335.3	1,131.9	28.61	1,146.8	1,161.6	30.58	1,065.0	27.71	1,237.5	34.13
2. Loans > 1 < 5 Years	825.0	699.3	17.68	680.1	660.8	17.39	919.1	23.92	680.2	18.76
3. Loans < 1 Year	189.5	160.6	4.06	193.8	226.9	5.97	187.0	4.87	138.1	3.81
4. (Loan Loss Reserves)	n.a.	n.a.	-	n.a.	n.a.	-	n.a.	-	n.a.	-
5. Impaired Loans Gross (memo)	n.a.	n.a.	-	n.a.	n.a.	-	n.a.	-	n.a.	-
TOTAL A.	2,349.7	1,991.8	50.35	2,020.6	2,049.3	53.95	2,171.1	56.50	2,055.8	56.70
B. OTHER EARNING ASSETS										
1. Deposits with Banks (net)	1,810.7	1,534.9	38.80	1,407.4	1,279.8	33.69	1,067.6	27.78	972.5	26.82
2. Government Securities and Eligible Bills	n.a.	n.a.	-	n.a.	n.a.	-	n.a.	-	n.a.	-
3. Other Investments	458.8	388.9	9.83	404.4	419.8	11.05	548.1	14.26	534.9	14.75
4. Equity Investments	n.a.	n.a.	-	n.a.	n.a.	-	n.a.	-	n.a.	-
TOTAL B	2,269.5	1,923.8	48.63	1,811.7	1,699.6	44.74	1,615.7	42.04	1,507.4	41.58
C. TOTAL EARNING ASSETS (A+B)	4,619.3	3,915.6	98.98	3,832.3	3,748.9	98.69	3,786.8	98.54	3,563.2	98.28
D. FIXED ASSETS	0.2	0.2	0.01	0.3	0.3	0.01	0.2	0.01	0.3	0.01
E. NON-EARNING ASSETS										
1. Cash and Due from Banks	7.8	6.6	0.17	9.9	13.1	0.34	15.4	0.40	15.0	0.41
2. Other	39.4	33.4	0.84	35.0	36.5	0.96	40.4	1.05	47.0	1.30
F. TOTAL ASSETS	4,666.7	3,955.8	100.00	3,877.3	3,798.8	100.00	3,842.8	100.00	3,625.5	100.00
G. DEPOSITS & MONEY MARKET FUNDING										
1. Demand and Deposits < 1 Year	386.6	327.7	8.28	262.3	196.9	5.18	263.7	6.86	99.2	2.74
2. Deposits > 1 < 5 Years	1,372.1	1,163.1	29.40	979.4	795.8	20.95	686.7	17.87	479.6	13.23
3. Deposits > 5 Years	1,631.5	1,383.0	34.96	1,499.1	1,615.1	42.52	1,731.3	45.05	1,781.1	49.13
4. Deposits from Banks	785.6	665.9	16.83	499.2	332.4	8.75	302.3	7.87	308.6	8.51
5. Debt Securities in Issue	253.0	214.5	5.42	434.7	654.9	17.24	655.7	17.06	760.9	20.99
TOTAL G.	4,428.8	3,754.2	94.90	3,674.6	3,595.1	94.64	3,639.7	94.71	3,429.4	94.59
H. OTHER FUNDING										
1. Other Long-Term Debt	0.0	0.0	0.00	0.0	0.0	0.00	0.0	0.00	0.0	0.00
2. Subordinated Debt	0.0	0.0	0.00	0.0	0.0	0.00	0.0	0.00	0.0	0.00
3. Hybrid Capital (Perpetual Subordinated Debt)	0.0	0.0	0.00	0.0	0.0	0.00	0.0	0.00	0.0	0.00
I. OTHER (Non-Interest Bearing)	78.1	66.2	1.67	67.5	68.8	1.81	63.9	1.66	58.6	1.62
J. LOAN LOSS RESERVES (see Loans)	n.a.	n.a.	-	n.a.	n.a.	-	n.a.	-	n.a.	-
K. OTHER RESERVES	n.a.	n.a.	-	n.a.	n.a.	-	n.a.	-	n.a.	-
L. EQUITY										
1. Preference Shares	n.a.	n.a.	-	n.a.	n.a.	-	n.a.	-	n.a.	-
2. Common Equity	159.7	135.4	3.42	135.2	134.9	3.55	139.2	3.62	137.5	3.79
TOTAL L.	159.7	135.4	3.42	135.2	134.9	3.55	139.2	3.62	137.5	3.79
M. TOTAL LIABILITIES AND EQUITY	4,666.7	3,955.8	100.00	3,877.3	3,798.8	100.00	3,842.8	100.00	3,625.5	100.00
Exchange Rate		USD1 = EUR 0.8477			USD1 = EUR 0.7342		USD1 = EUR 0.7918		USD1 = EUR 0.9536	

Income Statement Analysis

HELABA DUBLIN LANDESBANK HESSEN-THURINGEN INTERNATIONAL

	31 Dec 2005		31 Dec 2004		31 Dec 2003		31 Dec 2002	
	Income	As % of	Income	As % of	Income	As % of	Income	As % of
	Expenses	Total AV	Expenses	Total AV	Expenses	Total AV	Expenses	Total AV
	EURm	Earning Assts	EURm	Earning Assts	EURm	Earning Assts	EURm	Earning Assts
	Original	Original	Original	Original	Original	Original	Original	Original
1. Interest Receivable	236.3	6.17	233.7	6.20	232.4	6.32	255.7	7.27
2. Interest Payable	224.3	5.85	216.8	5.75	218.6	5.95	239.2	6.80
3. NET INTEREST REVENUE	12.0	0.31	16.9	0.45	13.8	0.38	16.5	0.47
4. Commission Revenue - Net	2.8	0.07	5.0	0.13	2.7	0.07	2.0	0.06
5. Other Operating Income	2.7	0.07	2.6	0.07	0.7	0.02	-1.1	-0.03
6. Share of Earnings of Associates	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Personnel Expenses	2.0	0.05	1.9	0.05	2.0	0.05	2.2	0.06
8. Other Non-Interest Expenses	1.9	0.05	2.1	0.06	2.2	0.06	1.5	0.04
9. Loan Loss Provisions	-1.3	-0.03	1.2	0.03	0.1	0.00	0.0	0.00
10. CONTINUING OPERATIONS PROFIT	14.9	0.39	19.3	0.51	12.9	0.35	13.7	0.39
11. Items arising from Discontinued Operations	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. PRE-TAX PROFIT ON ORDINARY ACTIVITIES	14.9	0.39	19.3	0.51	12.9	0.35	13.7	0.39
13. Exceptional Items - Net	n.a.	-	n.a.	-	n.a.	-	n.a.	-
14. PRE-TAX PROFIT	14.9	0.39	19.3	0.51	12.9	0.35	13.7	0.39
15. Taxation	1.4	0.04	1.9	0.05	1.2	0.03	1.2	0.03
16. NET INCOME	13.5	0.35	17.4	0.46	11.7	0.32	12.5	0.36

Ratio Analysis

HELABA DUBLIN LANDESBANK HESSEN-THURINGEN INTERNATIONAL

	31 Dec 2005	31 Dec 2004	31 Dec 2003	31 Dec 2002
	Original	Original	Original	Original
I. PROFITABILITY LEVEL				
1. Continuing Operations Profit/ Total Assets (av)	%	0.38	0.51	0.35
2. Net Income/Equity (av)	%	9.99	12.69	8.45
3. Net Income less Preference Dividend/ Common Equity (av)	%	9.99	12.69	8.45
4. Net Income/Total Assets (av)	%	0.35	0.46	0.31
5. Total Non-Int Expense/Net Interest Revenue & Other Operating Income	%	22.29	16.33	24.42
6. Net Interest Revenue/Total Assets (av)	%	0.31	0.44	0.37
II. CAPITAL ADEQUACY (year end)				
1. Internal Capital Generation	%	0.37	-3.21	1.23
2. Equity/Total Assets	%	3.42	3.55	3.62
3. Equity/Net Loans	%	6.80	6.58	6.41
4. Capital/Risks - Tier 1	%	n.a.	n.a.	n.a.
5. Capital/Risks - Total	%	n.a.	n.a.	n.a.
6. Common Equity/Total Assets	%	3.42	3.55	3.62
III. LIQUIDITY (year end)				
1. Liquid Assets/Deposits & Money Mkt Funding	%	40.45	35.69	29.07
2. Liquid Assets & Marketable Debt Securities/Deposits & Money Mkt Funding	%	51.42	47.64	44.81
3. Net Loans/Deposits & Money Mkt Funding	%	53.06	57.00	59.65
IV. ASSET QUALITY				
1. Loan Loss Provisions/Loans Gross (av)	%	-0.06	0.06	0.00
2. Loan Loss Provisions/Profit before Provisions and Taxes	%	-9.56	5.85	0.77
3. Loan Loss Reserves/Impaired Loans Gross	%	n.a.	n.a.	n.a.
4. Loan Loss Reserves/Loans Gross	%	n.a.	n.a.	n.a.
5. Impaired Loans Gross/Loans Gross	%	n.a.	n.a.	n.a.
6. Impaired Loans Net/Equity	%	n.a.	n.a.	n.a.